

INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION



WASHINGTON 25, D. C.

Industry Circular No. 65-14

June 22, 1965

EXPORTATION OF LIQUORS AND STILL TO POSSESSIONS OF THE UNITED STATES

Proprietors of distilled spirits plants,
bonded wine cellars, breweries,
and others concerned:

Purpose. This circular is to inform you of the provisions of a revenue ruling soon to be published in the Internal Revenue Bulletin which states that on and after July 1, 1965, shipments of liquors or stills to possessions of the United States are considered to be exportations.

Background. Section 807 of the Excise Tax Reduction Act of 1965 becomes effective July 1, 1965. This section of the Act amends Section 5002(a) of the Internal Revenue Code of 1954 to provide that "The terms 'export,' 'exported,' and 'exportation' shall include shipments to a possession of the United States."

Nature of Ruling. The aforementioned revenue ruling states that, notwithstanding the meanings ascribed to the terms "export" and "exportation" in 26 CFR 196.60, 26 CFR 201.11 and 26 CFR 252.11, on and after July 1, 1965, shipments of liquors or stills made to any possession of the United States shall be considered to be exportations for any purpose within the purview of 26 CFR Part 196, 201, 240, 245, or 252. The ruling further states that, as it uses the term "possession of the United States," that term is intended to mean any land area outside the United States which the U. S. Department of State has classified as a possession of the United States and that the term shall include Swan Islands, Navassa Island, Midway Islands, Wake Island, Johnston Island (including Sand Island), Palmyra Island, Kingman Reef, Howland Island, Baker Island, and Jarvis Island.

Inquiries. Inquiries regarding this circular should refer to its number and should be addressed to the office of your Assistant Regional Commissioner, Alcohol and Tobacco Tax.

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